

**MINUTES OF  
MISSISSIPPI TORT CLAIMS BOARD  
THURSDAY, MARCH 14, 2019**

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The Mississippi Tort Claims Board (Board) meeting was held at 1:30 p.m. in Room 138, Woolfolk State Office Building; 501 North West Street; Jackson, Mississippi.

The following members were present, constituting a quorum:

Edds, Steve; Chairman  
Jackson, Laura; Executive Director, MS Department of Finance and Administration  
Kelsey, Christina; Representing Insurance Commissioner Mike Chaney  
Lanford, Mike; Deputy Attorney General, Representing Attorney General Jim Hood  
Schmidt, Anthony; Representing Public Safety Commissioner Marshall Fisher  
Williams, Michelle, Chief of Staff; Representing State Treasurer Lynn Fitch

Also present were:

Donaldson, Bruce; Tort Claims Board  
Kelly, Trina; Tort Claims Board  
Logan, Jim; Tort Claims Board  
McElroy, Lea Ann; Tort Claims Board  
Milner, Steve; Tort Claims Board  
Smith, Dan; Attorney General's Office  
Wells, Lisa; Cannon Cochran Management Services Inc.  
Wilson, Jeff; Trinity Capital

The Chairman called the meeting to order.

Motion was made by Mrs. Williams to approve the minutes of the January 10, 2019, meeting. Mrs. Jackson seconded the motion, which passed unanimously.

In Old Business, Mrs. McElroy provided members with a legislative update, reporting that our appropriation bill was the only bill currently active as the Session wraps up.

There was no New Business.

*[Mr. Lanford entered the meeting during Mr. Logan's report.]*

Mr. Logan presented the final report for fiscal year 2019 through February 28, 2019. We have received just under \$4.8 million in assessments, which represents all the assessments due with the exception of one small agency. Expenditures to-date are \$3.4 million. Total funds, including investments, are at \$16.8 million. Reserves are \$7.2 million, leaving unencumbered funds at \$9.6 million. We paid \$1,067,366 in claim payments and \$554,824 in legal expenses. The average claim paid was \$2,655 and the average reserve was \$15,080. The Budget

Comparison Report shows that all expenditures are well in line with where they should be this time of year.

Mr. Wilson presented the investment report through February 2019. The portfolio has a book value of just over \$12.4 million, with a market value of \$12.265 million, and this is the smallest unrealized loss the portfolio has had in well over a year. He expects that to narrow as the year goes on. The internal rate of return is just under 1.5% for the seven months of the fiscal year and the portfolio yield is sitting right at 2.5%. The weighted average life of the portfolio is approximately 2.5 years. Interest earnings for the fiscal year are just over \$160,000, which is the best we've seen since 2015.

Mr. Milner provided members a report of his Loss Control activities since the last Board meeting, noting our presentation to the current MHP Cadet Class.

There was no Attorney General's Report.

Mrs. McElroy presented a list of 21 political subdivisions with the recommendation that all be approved for renewal of Certificates of Coverage. Mrs. Jackson made a motion to approve the list and Mrs. Kelsey seconded the motion, which passed by unanimous vote.

There was no Claims Report.

There being no further business to come before the Board, the meeting was adjourned.

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STEVE EDDS, CHAIRMAN

  
MIKE CHANEY, BOARD MEMBER

  
MARSHALL FISHER, BOARD MEMBER

Bx: Arman Schmidt

Michelle Willis for Lynn Fitch  
LYNN FITCH, BOARD MEMBER

Jim Hood  
JIM HOOD, BOARD MEMBER

Laura D. Jackson By: Audrey Leigh Goodwin  
LAURA D. JACKSON, BOARD MEMBER

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GARY RIKARD, BOARD MEMBER

## ATTENDANCE LIST

DEPARTMENT/COMPANY

Trinity Capital  
TCB

TEB

A.C.

Butter Snow

MOPS

TCB

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**Mississippi Tort Claims Board**  
**Thursday, March 14, 2019 – 1:30 P.M.**

**AGENDA**

- I.** Approval of Minutes
  - A. January 10, 2019
- II.** Old Business
  - A. Legislative Update
- III.** New Business
- IV.** Financial Reports
  - A. Financial Report – Jim Logan
  - B. Investment Report – Jeff Wilson
- V.** Loss Control – Steve Milner
- VI.** Attorney General’s Report – Lea Ann McElroy
- VII.** Certificates of Coverage – Lea Ann McElroy
- VIII.** Claims Report – Bruce Donaldson
- IX.** Adjournment

*Next meeting date and time: May 9, 2019 – 1:30 P.M.*  
*Meeting location: Suite 138, Conference Center North, Woolfolk Building, Jackson, MS*

**MINUTES OF  
MISSISSIPPI TORT CLAIMS BOARD  
THURSDAY, JANUARY 10, 2019**

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The Mississippi Tort Claims Board (Board) meeting was held at 1:30 p.m. in Room 138, Woolfolk State Office Building; 501 North West Street; Jackson, Mississippi.

The following members were present, constituting a quorum:

Edds, Steve; Chairman  
Goodwin, Aubrey Leigh, Deputy Director, MS Department of Finance & Administration,  
Representing Executive Director Laura Jackson  
Jackson, Laura; Executive Director, MS Department of Finance and Administration  
Kelsey, Christina; Representing Insurance Commissioner Mike Chaney  
Schmidt, Anthony; Representing Public Safety Commissioner Marshall Fisher  
Williams, Michelle, Chief of Staff; Representing State Treasurer Lynn Fitch  
Whitley, Onetta; Deputy Attorney General, Representing Attorney General Jim Hood

Also present were:

Buford, David; Institutions of Higher Learning  
Burkhalter, Chris; The Burkhalter Group  
Donaldson, Bruce; Tort Claims Board  
Kelly, Trina; Tort Claims Board  
Logan, Jim; Tort Claims Board  
McElroy, Lea Ann; Tort Claims Board  
Milner, Steve; Tort Claims Board  
Smith, Dan; Attorney General's Office  
Wells, Lisa; Cannon Cochran Management Services Inc.  
Wilson, Jeff; Trinity Capital

The Chairman called the meeting to order.

Motion was made by Mrs. Williams to approve the minutes of the November 8, 2018, meeting. Mrs. Goodwin seconded the motion, which passed unanimously.

There was no Old Business.

In New Business, Mrs. McElroy presented a recommendation for approval of a contract with Tim Farley and Farley Management, Inc. for an independent audit of our liability claim files, tentatively scheduled for March 19-21, 2019. The last claims audit was conducted in March 2017, and it is Board policy to conduct such an audit every two years. The price is a flat fee of \$9,000, and has not changed since 2014. Mrs. Williams made a motion to approve the contract, seconded by Mrs. Kelsey, and approved. Mrs. McElroy also presented a legislative

update which, at the time, showed no legislation introduced for the Tort Claims Act as of day 3 of the Session.

Mr. Logan presented the final report for fiscal year 2019 through December 31, 2018. We have received \$2.5 million in assessments, which is just over 50% of the total. Expenditures to-date are \$2.6 million. Total funds, including investments, are at \$15 million. Reserves are \$6.4 million, leaving unencumbered funds at \$8.6 million. We paid \$848,000 in claim payments and \$417,000 in legal expenses. Looking at the Budget Comparison Report, we have spent roughly 30% of our total budget appropriation at the half-way point of the fiscal year.

*[Mrs. Jackson entered the meeting during Mr. Wilson's report.]*

Mr. Wilson presented the investment report through December 2018. The portfolio has a book value of just under \$12.4 million, with a market value of just over \$12.2 million, and this is the smallest gap between these two that we've seen in a while. For the calendar year, the internal rate of return is just over 2%. Interest earnings for the calendar year are just over \$250,000, a little better than projected. The weighted average life of the portfolio is approximately 2.5 years, and because there are no plans to withdraw funds from the portfolio, as bonds come due, Jeff is pushing that out further. Looking at the Performance Report, we did have a gain of just over \$250,000 for the calendar year. Comparing our performance to the Index, we are about 50 basis points behind on internal rate of return, but we blew it out on total return.

Mr. Milner provided members a report of his Loss Control activities since the last Board meeting, noting the upcoming Dixie National Rodeo, February 7-13.

There was no Attorney General's Report.

Mrs. McElroy presented a list of 18 political subdivisions with the recommendation that all be approved for renewal of Certificates of Coverage. Mrs. Goodwin made a motion to approve the list and Mrs. Williams seconded the motion, which passed by unanimous vote.

There was no Claims Report.

There being no further business to come before the Board, the meeting was adjourned.



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STEVE EDDS, CHAIRMAN

  
MIKE CHANEY, BOARD MEMBER

  
MARSHALL FISHER, BOARD MEMBER

  
for LYNN FITCH, BOARD MEMBER

  
for JIM HOOD, BOARD MEMBER

  
LAURA D. JACKSON, BOARD MEMBER

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GARY RIKARD, BOARD MEMBER



**MISSISSIPPI TORT CLAIMS BOARD**  
**Combined Financial Report - Fiscal Year 2019**  
**Fund 3308100000**

**-----CASH FLOW ANALYSIS-----**

	January	February	Year-To-Date
<b>REVENUE:</b>			
Assessments Received	257,411.08	1,956,190.86	4,796,768.24
Interest	3,637.37	5,676.12	26,053.36
Investment Interest	8,867.25	21,552.04	163,542.14
Refunds	0.00	0.00	200.00
Transfer In Funds	0.00	250,000.00	1,250,000.00
<b>Total Revenue</b>	<b>\$ 269,915.70</b>	<b>\$ 2,233,419.02</b>	<b>\$ 6,236,563.74</b>
<b>EXPENSES:</b>			
Claim Losses - TCB and TPA	131,296.88	87,482.02	1,067,365.67
Legal Expenses - TCB and TPA	73,362.89	64,280.05	554,824.42
Other Expenses - TCB and TPA	519.00	984.00	5,624.75
Administrative Expenses Paid	120,911.32	48,174.77	558,784.02
Transfer of Funds - Out	0.00	250,000.00	1,250,000.00
<b>Total Expenses</b>	<b>\$ 326,090.09</b>	<b>\$ 450,920.84</b>	<b>\$ 3,436,598.86</b>
<b>FUNDS ON HAND:</b>			
Beginning Balance	\$ 15,102,128.32	\$ 15,045,953.93	
Revenue	269,915.70	2,233,419.02	
Expenses	(326,090.09)	(450,920.84)	
Adjustments	0.00	0.00	
<b>Total Funds</b>	<b>\$ 15,045,953.93</b>	<b>\$ 16,828,452.11</b>	
Cash in Treasury	\$ 2,504,403.93	\$ 4,102,336.54	
Investment in Treasury	\$ 12,373,397.71	\$ 12,394,949.75	
TPA Trustmark Bank Balance	168,152.29	331,165.82	
<b>Total Funds By Account</b>	<b>\$ 15,045,953.93</b>	<b>\$ 16,828,452.11</b>	
Less Reserves	<b>\$ 6,993,772.89</b>	<b>\$ 7,193,446.70</b>	
<b>Unencumbered Funds Available</b>	<b>\$ 8,052,181.04</b>	<b>\$ 9,635,005.41</b>	

**-----CLAIMS/RESERVES DETAIL (Year-To-Date)-----**

	Tort Board	Mgt. Services	TOTAL
Claims - Payments	\$ 77,125.15	\$ 990,240.52	\$ 1,067,365.67
Claims - Legal Expenses	536,028.61	18,795.81	554,824.42
Claims - Other Expenses	-	5,624.75	5,624.75
<b>Total Paid Out to Date</b>	<b>\$ 613,153.76</b>	<b>\$ 1,014,661.08</b>	<b>\$ 1,627,814.84</b>
<b>OUTSTANDING RESERVES</b>	<b>488,847.84</b>	<b>6,704,598.86</b>	<b>7,193,446.70</b>
<b>Total Claims &amp; Reserves</b>	<b>\$ 1,102,001.60</b>	<b>\$ 7,719,259.94</b>	<b>8,821,261.54</b>
Number of Claims Created	342	262	604
Number of Claims Paid	187	215	402
Total Open Claims	160	317	477
<b>AVG. CLAIM \$ / # CLAIMS PAID</b>	<b>\$412.43</b>	<b>\$4,605.77</b>	<b>\$ 2,655.14</b>
<b>AVG. RESERVE / OPEN CLAIMS</b>	<b>\$3,055.30</b>	<b>\$21,150.15</b>	<b>\$ 15,080.60</b>

NOTE: Information represents combined operations for Treasury Fund 3080 and the Trustmark account (utilized by CCMSI).

# MISSISSIPPI TORT CLAIMS BOARD

Budget Comparison Report

Treasury Fund 3308100000

Fiscal Year 2019

Expenses:	Total Budget	January 2019	February 2019	Year To Date Expenditures	Ending Balance	Percent Expended
A1-Salaries	\$ 565,028.00	\$ 46,549.37	\$ 46,549.47	\$ 372,745.00	\$ 192,283.00	65.97%
A2-Travel	4,000.00	0.00	0.00	1,441.80	2,558.20	36.05%
B-Contractual	1,650,000.00	146,620.97	62,935.83	716,945.75	933,054.25	43.45%
C-Commodities	7,000.00	263.97	562.72	3,587.18	3,412.82	51.25%
D2-Capital Outlay	2,000.00	0.00	0.00	0.00	2,000.00	0.00%
E-Subsidies	4,300,000.00	2,734.18	253,875.42	1,327,125.15	2,972,874.85	30.86%
<b>SUBTOTAL</b>	<b><u>\$ 6,528,028.00</u></b>	<b><u>\$ 196,168.49</u></b>	<b><u>\$ 363,923.44</u></b>	<b><u>\$ 2,421,844.88</u></b>	<b><u>\$ 4,106,183.12</u></b>	<b><u>37.10%</u></b>
TPA Expended		<u>129,921.60</u>	<u>86,997.40</u>	<u>1,014,753.98</u>		
<b>TOTAL Expended</b>		<b><u>\$ 326,090.09</u></b>	<b><u>\$ 450,920.84</u></b>	<b><u>\$ 3,436,598.86</u></b>		

# TRINITY

TRINITY CAPITAL INVESTORS

January 2, 2019

Ms. Lea Ann McElroy  
Mississippi Tort Claims Board  
P O Box 267  
Jackson, MS 39205-0267

Re: February 2019 Portfolio Highlights

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Total Portfolio	Book Value	\$12,425,755
	Market Value	\$12,265,937
FY 2019 Internal Rate of Return		1.454%
Current Portfolio Book Yield		2.46%
Market Yield		2.90%
Weighted Average Life		Approximately 2.5 years
Fiscal YTD 2019 Earnings		163,542
Accrued Interest		55,989



**STATE OF MISSISSIPPI**  
GOVERNOR PHIL BRYANT

**MISSISSIPPI TORT CLAIMS BOARD**  
STEPHEN C. EDDS, CHAIRMAN

MIKE CHANEY, Commissioner  
Insurance Department  
MARSHALL L. FISHER, Commissioner  
Department of Public Safety  
LYNN FITCH, Treasurer  
Department of Treasury

JIM HOOD, Attorney General  
Office of Attorney General  
LAURA D. JACKSON, Executive Director  
Department of Finance and Administration  
GARY RIKARD, Executive Director  
Department of Environmental Quality

**MEMORANDUM**

**TO:** Mississippi Tort Claims Board  
**FROM:** Steve Milner  
**DATE:** March 14, 2019  
**RE:** Loss Control Report

Since the last Board Meeting, loss control services for the Tort Claims Board include:

- 22 State Owned/Leased Property Inspections
- 3 Defensive Driving Classes
- 1 MHP Cadet Presentation
- 2 Days Dixie National Rodeo
- 1 Accident Investigation
- 4 Ride-A-Longs
- 1 Risk Management Consultation



**STATE OF MISSISSIPPI**  
GOVERNOR PHIL BRYANT

**MISSISSIPPI TORT CLAIMS BOARD**  
STEPHEN C. EDDS, CHAIRMAN

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Insurance Department  
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Department of Public Safety  
LYNN FITCH, Treasurer  
Department of Treasury

JIM HOOD, Attorney General  
Office of Attorney General  
LAURA D. JACKSON, Executive Director  
Department of Finance and Administration  
GARY RIKARD, Executive Director  
Department of Environmental Quality

**MEMORANDUM**

**TO:** Mississippi Tort Claims Board  
**FROM:** Lea Ann McElroy  
**DATE:** March 14, 2019  
**RE:** Political Subdivisions – Certificates of Coverage

**RECOMMENDATION:** Staff recommends approval of 21 political subdivisions shown on attached list.

# MISSISSIPPI TORT CLAIMS BOARD

Thursday, March 14, 2019

Political Subdivisions Recommended for Renewal of Certificate of Coverage

AAA Ambulance Service, Inc.  
Carroll County Fire  
Clarksdale City Clerk  
Fairhaven Fire Department  
Forest Fire Department  
Franklin County Board of Supervisors (MASIT)  
Hancock County School District  
Jackson County Port Authority  
Kearney Park Fire Protection District  
Kemper County Economic Development Authority  
Magnolia Regional Health Center  
Oktibbeha County Hospital  
Panola County Firefighters Association  
Pass Christian Public School District  
Picayune School District  
Rankin County Board of Supervisors  
Sharkey-Issaquena Library Association  
Southeast Mississippi Air Ambulance  
Tupelo City Clerk  
West Hancock Fire Protection District  
West Point Consolidated School District

**Total 21**